

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INVESTIGATION OF THE OPERATING)
CAPACITY OF MARTIN COUNTY WATER) CASE NO.
DISTRICT PURSUANT TO KRS 278.280) 2016-00142

ORDER

On May 7, 2018, Martin County Water District ("Martin District"), filed with the Commission, a motion for protective order and objection and response to Martin County Concerned Citizens Inc.'s ("MCCC") motion to compel. The Commission issued an order on May 2, 2018, that has already addressed the issues referenced in Martin District's Motion for Protective Order.

First, the Commission sustained MCCC's April 26, 2018 motion to compel and ordered Martin District to fully respond to MCCC's Second Data Request. Second, the Commission ordered Martin District to fully and completely respond to each data request, including subparts thereof, without objection on or before May 17, 2018. Accordingly, Martin District's Motion for Protective Order should be denied as moot.

Martin District's failure to provide MCCC with a full and complete set of answers in response to its data requests by the May 17, 2018 deadline will constitute a violation of the Commission's May 2, 2018 Order, and the Commission will issue a show cause order against Martin District and its commissioners individually. On March 16, 2018, the Commission issued an Order in Case No. 2018-0017, the record of which is incorporated herein. The March 16, 2018 Order acknowledged the extraordinary circumstances in

which Martin District found itself, and the Commission issued an Order granting relief upon the requirement that Martin District strictly adheres to the terms and conditions. The information sought in these data requests directly relates to the strict oversight and detailed accounting required by the terms of the March 16, 2018 Order. Moreover, Martin District was required by the March 16, 2018 Order to provide monthly reports on revenue and expenses of the district, and copies of the most recent bank statements for the interest-bearing account established pursuant to the Order. Martin District was ordered to provide the reports beginning April 15, 2018, and failed to comply until May 4, 2018. If Martin District would have complied with the March 16, 2018 Order in a timely manner, much of the information sought would have been in the record. Should Martin District continue to ignore deadlines without explanation, and fail to comply with Commission Orders, the Commission advises that it will proceed with any administrative means of enforcing its Orders, including, but not limited to, removing the board members pursuant to KRS 74.020, seeking a court-appointed receiver pursuant to KRS 278.021, opening an investigation into the feasibility of merger pursuant to KRS 74.361, or seeking civil penalties pursuant to KRS 278.990.

IT IS THEREFORE ORDERED THAT:

1. Martin District's Motion for Protective Order filed on May 7, 2018, is denied as moot.
2. Martin District is ordered to comply with the Commission's May 2, 2018 Order.
3. Martin District's failure to provide MCCC with a full and complete set of answers in response to its data requests by the May 17, 2018 deadline will constitute a

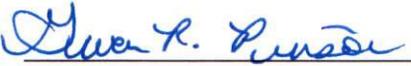
violation of the Commission's May 2, 2018 Order and the Commission will issue a show cause order against Martin District and its commissioners individually.

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By the Commission

ENTERED
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KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

Case No. 2016-00142

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